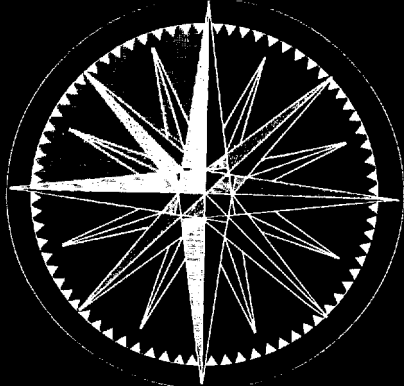


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18 February 1966

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WEEKLY SUMMARY

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(Information as of noon EST, 17 February 1966)

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OSD review completed

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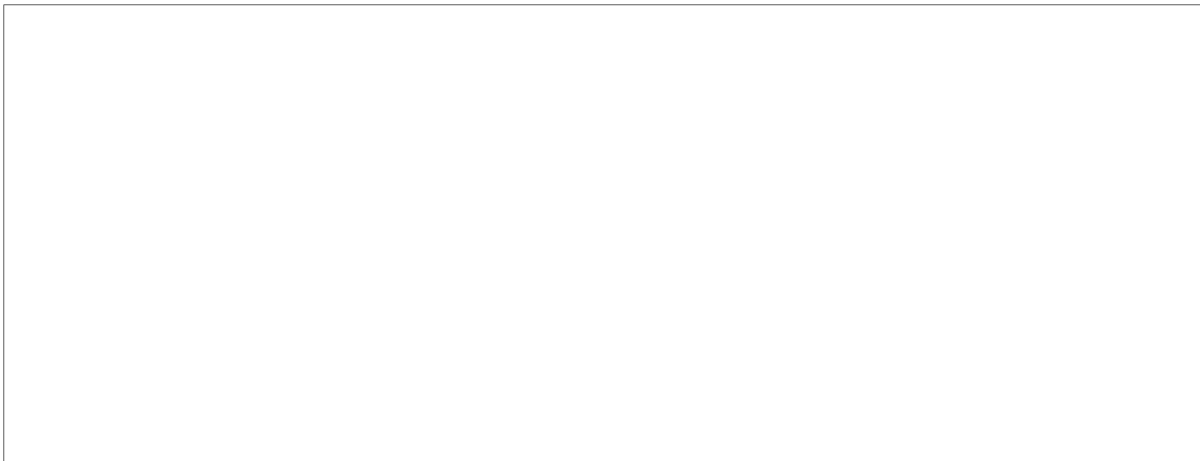
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VIETNAM

The military initiative in South Vietnam is still with the allies. Major offensives in Quang Ngai, Binh Dinh, and Phu Yen provinces have entered their fourth week. Cumulative enemy losses in these areas--largely the result of numerous small unit actions--have risen to more than 2,500 killed and captured, and allied troops continue to seize Communist base areas, support facilities, and supplies.

In southern Quang Ngai, South Vietnamese troops recaptured the district town of Minh Long, overrun by a Communist regiment in late December. Vietnamese forces also plan to retake the former district town of An Lao in northern Binh Dinh. It has been under Viet Cong control for over a year.

Viet Cong actions remain at a relatively low level. Main force units and local guerrilla forces have reduced their activities since the Tet holiday in late January. This is not unusual since the activities of Viet Cong main forces and guerrillas usually follow the same cycle. When main force units begin a large-scale offensive, local enemy forces often sharply step up their activities in an attempt to cut down the number of government relief troops available.

Hanoi Examines Party Problems

Hanoi last week published an unusually frank discussion of problems facing the North Vietnamese party. It included an admission that not all party members were enthusiastic about some of the most important policy objectives of the leadership. Politburo member Le Duc Tho, the author of the article, is the head of the central committee's Organization Department. He has published an analysis of party organizational problems almost every year in connection with the party's anniversary on 3 February. This year, however, Tho's remarks were harsher than usual and provided more details on specific regime policies which had been questioned within party ranks. The most important of these were the conduct of the war in South Vietnam and the mobilization of the economy in support of the war effort.

Party members who did not fully support regime policies were described as "small in number," and Tho implied that they were not highly placed. He singled out for special criticism cadres in economic management and foreign affairs: the economy was not put on a wartime footing fast enough, and the Foreign Ministry apparently failed to generate significant demonstrations

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of world-wide support for Hanoi's policies.

On the subject of the war in the South, Tho upbraided party members who had been attracted by US peace offers, those who had "incorrectly" assessed the ability of the Vietnamese Communists to stand up against American military power, and those who had "displayed a reluctance to undertake protracted resistance." In a clear reference to party members who look to either Peking or Moscow for leadership, he derided those who rely too heavily on "outside advice" and reminded them that the North Vietnamese "alone can realize most clearly" solutions to the problems "in our own country."

Le Duc Tho's attack does not appear to indicate either widespread or highly placed party dissension capable of moving the regime away from its announced objectives. The magnitude of the difficulties now facing the DRV probably accounts for some of the article's harshness. The regime feels it cannot tolerate foot dragging in the face of daily bombing raids and the rapidly increasing US commitment in South Vietnam. Tho warned the dissenters that they face dismissal from the party if they cannot implement regime decisions more effectively.

Chinese Propaganda

Peking's propaganda continues to emphasize (1) the neces-

sity for the Vietnamese to continue the war until final victory and (2) the perfidy of the USSR in collaborating with the US to bring about a negotiated settlement. The Chinese Defense Ministry on 14 February sent a message to the command of the Liberation Front armed forces on the latter's fifth anniversary, expressing confidence that the "heroic people and Liberation Army of South Vietnam" will defeat the US and pledging that "whatever the cost we have to pay," the Chinese people and army "shall do everything in our power" to aid the Vietnamese to "thoroughly defeat US imperialism." This is the latest variation of Peking's standard pledge to send men "if needed" and represents no expansion in the Chinese commitment.

The 11 February issue of Red Flag--the Chinese Communist Party Journal--delivered a violent sermon on the impossibility of "united action" with the Soviet Union in Vietnam. This was apparently directed primarily to North Vietnamese leaders. It also represented Peking's harshest rebuttal thus far to arguments put forward by various Communist leaders for cooperation by "all socialist states" in support of North Vietnam. The Chinese declared explicitly that they "will never take any united action with the leaders of the CPSU" so long as the Soviets continue their "line of Soviet-US collusion." The Red Flag article reiterated the now standard Chinese accusation that Russian

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assistance to Hanoi is designed only to enhance Moscow's influence in North Vietnam in order to help the US with its "peace talks plot," and in the end promote a political bargain dividing the world between the two "great powers." To this, the article added the explicit charge that the Soviets are attempting to "sow dissension in Sino-Vietnamese relations."

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The Communist World

THE SOVIET WRITERS' TRIAL

The Soviet regime's handling of the trial of Andrey Sinyavsky and Yuli Daniel for "anti-Soviet propaganda"--the first such trial since Stalin's death--has revealed a curious mixture of determination to tighten controls and attempts at palliation. It has also suggested considerable sensitivity to charges of a reversion to the "illegality" of the Stalin years. The mixed "hard" and "soft" signals from regime spokesmen probably reflect differing degrees of concern in the party hierarchy on this delicate issue and differences of opinion over the amount of relaxation in the cultural sphere which can be tolerated.

The works of Sinyavsky and Daniel had been smuggled out of the USSR and published in the West under the pseudonyms Abram Tertz and Nikolay Arzhak. Their arrest in mid-September apparently signaled a determined effort by cultural conservatives to halt such exports. Another novelist, Valery Tarsis, was equally vulnerable. He, however, is regarded as a loner in intellectual circles, whereas Sinyavsky and, to a lesser extent, Daniel were associated with the liberal intellectuals' stronghold, the magazine Novy Mir. The conservative authorities probably felt that punishing two such respected members of the liberal intellectual "establishment" would serve to intimidate its other members.

After the arrests, however, the cases hung fire for five

months while "informed sources" in Moscow insisted there had been no change in the regime's "tolerant" cultural policy. In late January, party ideological secretary Petr Demichev was reported to be quietly passing the word that a savage attack on the two writers in Izvestia in mid-month had not been "fully authorized." Novy Mir that month was among several journals allowed a sizable increase in circulation--a measure guaranteed to enhance its influence.

The granting of an exit permit to Tarsis on the eve of the trial was probably intended to dilute Western protests concerning the more important Sinyavsky-Daniel case. Simultaneously, a vicious attack on Tarsis which was meant as a sop to Soviet conservatives was published in Komsomolskaya Pravda. The trips abroad authorized for poets Yevgeny Yevtushenko and Andrey Voznesensky, who are, unlike Tarsis, members of the "liberal establishment," may also have been intended to distract attention from the trial.

The conduct of the trial last week and the stiff sentences imposed will keep alive fears of neo-Stalinism. The case has, moreover, provided the post-Khrushchev leadership with a cultural "scandal" of exactly the sort for which Khrushchev has been criticized. In the future it may well become a subject for recrimination within the leadership.

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SUBWAY CONSTRUCTION IN THE USSR AND EASTERN EUROPE

New subway construction activity in several Soviet and East European cities is probably part of a coordinated plan to provide both improved transportation and adaptable civil defense shelters in important metropolitan centers. Unusual publicity has been given since the fall of 1964 to seven such projects, which are in ad-

dition to the continuing expansion of the well-known systems in Moscow, Leningrad, and Kiev.

Subway construction programs are under way in the Soviet cities of Baku and Tbilisi and in the East European capitals of Prague, Budapest, and Warsaw. These projects were begun around 1950, but

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construction was suspended in the period following the death of Stalin in 1953. Plans have also been announced for subways in Riga and Tashkent in the USSR.

The civil defense aspect of the Soviet and East European subways is indicated by the secrecy often surrounding their construction

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Soviet and East European literature on civil defense views subways as among the most secure of underground shelters.

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statements by Soviet officials also indicate that civil defense considerations are incorporated in subway design. 25X1
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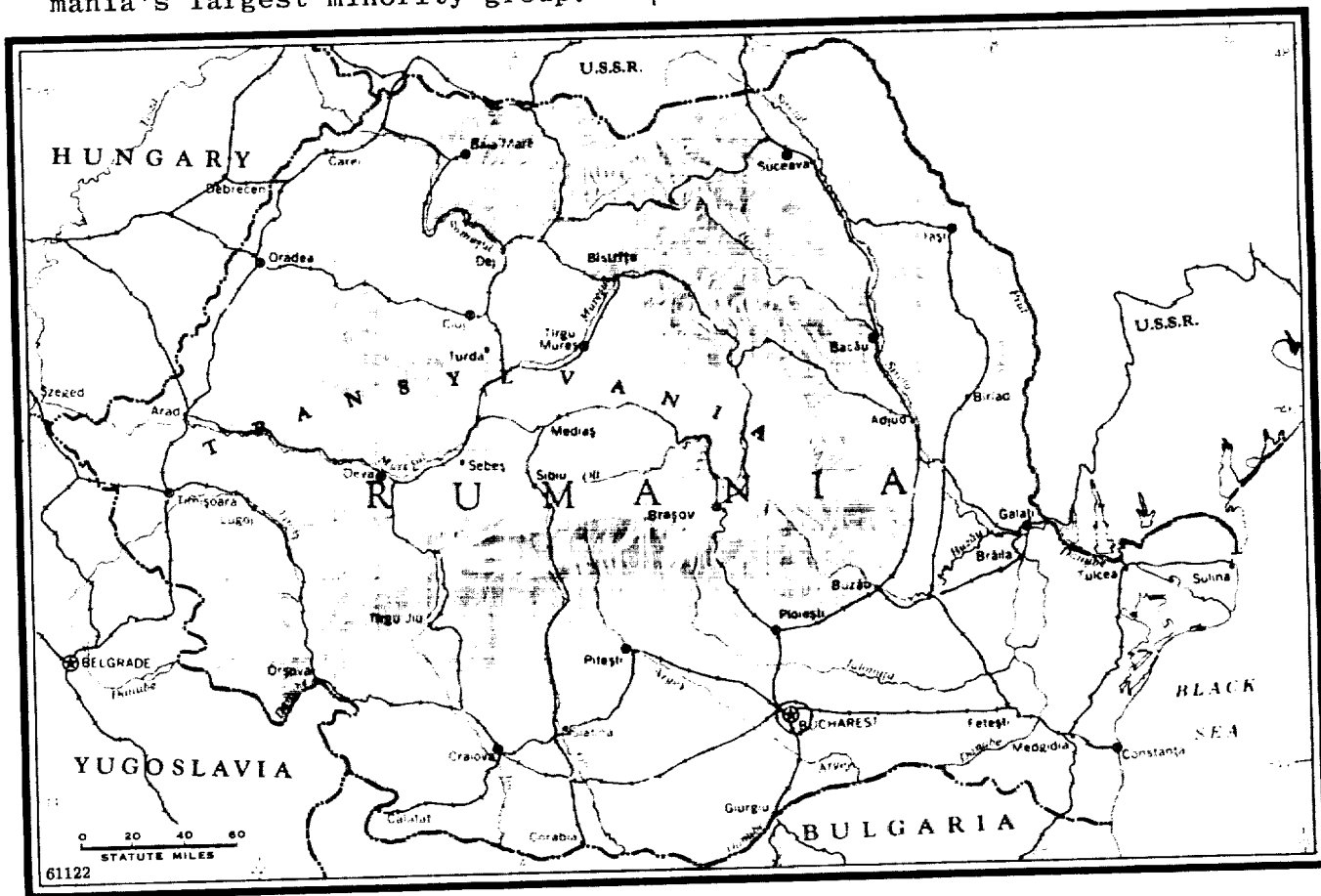
RUMANIAN-HUNGARIAN RELATIONS GRADUALLY IMPROVE

Rumanian-Hungarian relations are gradually improving, in large part because of initiatives taken by Rumania to better relations in general with all its neighbors. In the particular case of Hungary, Bucharest has also acted to reduce traditional tensions over Transylvania, a Hungarian irredenta.

Rumanian-Hungarian state relations have long been inhibited by nationalistic rivalry for control of Transylvania. Historically a Magyar (ethnic Hungarian) area, it contains approximately 1.6 million Magyars--Rumania's largest minority group.

Since last fall, Rumania's leadership has pursued a policy which stresses the "unity of Rumanian, Magyar, and other nationalities." Party leader Ceausescu has traveled extensively in Transylvania in recent months making numerous speeches designed to establish the groundwork for a cooperative relationship between the Magyars and the Rumanians. During his party career Ceausescu has had considerable responsibility for regime policy in the area.

Hungarian nationalistic feelings about Transylvania will nevertheless continue to give



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rise to bilateral frictions for a long time to come. Indeed some such problem may have been the reason for Rumanian Premier Maurer's hurried trip to Budapest in January.

In the broader area of general bilateral relations the slated visit of Hungarian party chief Kadar to Bucharest "some time" next month best illustrates the improved atmosphere. In addition, Rumania's foreign minister was in Budapest last September for a "friendly visit." Earlier this month, a high-level Rumanian economic delegation briefly visited Hungary while en route to the United Kingdom.

Budapest has given favorable press coverage to the implementation in Transylvania of the expanded guarantees for the

civil rights of all Rumanian nationality groups. These are part of the revised Rumanian constitution and party statutes promulgated last year. Hungarian media have also given extensive positive coverage to Rumanian party chief Ceausescu's speech last August on respect for the rights of Rumanian minorities and have reacted favorably to the appointment of several Magyars to high positions in both the Rumanian party and state hierarchies.

Rumania's efforts to improve relations with Hungary and all its other neighbors are probably designed to establish a degree of stability in the Balkans which will permit it even greater flexibility--and perhaps gain Bucharest some measure of support--in implementing its independent policies.

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PARTY-MILITARY PROBLEMS IN COMMUNIST CHINA

Recent Chinese Communist Party pronouncements imply that once again a significant body of professional military officers question whether ideological commitment to regime policies is a substitute for technical competence in modern warfare. In response, the party is intensifying political indoctrination, especially for military commanders at the regimental level and above, and has considerably strengthened the party control structure in the army.

In a major speech in January, Hsiao Hua, director of the General Political Department, party control apparatus in the Peoples Liberation Army, sharply criticized those who disputed the need for political domination of military affairs. He stressed that promotions would now be based on correct ideology and devotion to "Mao's thought."

On 6 February the People's Daily with unusual frankness warned senior army men that military accomplishment in the

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first half of their lives did not guarantee a correct political attitude in the second half. Other statements have attacked the view that stresses military techniques and neglects politics, and asserted that as yet not nearly enough emphasis has been placed on political orientation within the army.

Professional military officers who resent party domination have been a persistent problem since at least 1959 when Defense Minister Peng Te-huai was dismissed for contesting party control and Mao's policies. Subsequent party-inspired measures which undoubtedly created new resentments among professional officers were the abolition of mil-

itary ranks in June 1965 and a consequent advance in the status of political officers.

The current campaign does not imply that the party's control over the military is seriously weakening. It does, however, reflect considerable dissatisfaction which as the war in Vietnam escalates, could be of increasing concern to the leadership.

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Asia-Africa

SUKARNO'S POLITICAL OFFENSIVE CONTINUES IN INDONESIA

Indonesian President Sukarno continues to press his political offensive. The army and non-Communist student groups are putting up sporadic resistance, but their area for political action is shrinking.

For the first time since the 1 October coup attempt, at a mass rally on 13 February Sukarno's leftist supporters appeared to outnumber the non-Communists. The rally seemed to be another step in the effort to intimidate the moderates and rebuild Sukarno's position. Sukarno called again for a "Sukarno Front," defended the Communist Party (PKI), and reiterated his anti-Western foreign policy. When Foreign Minister Subandrio was heckled by non-Communist students, he riposted that he was not discouraged by the "puppets' yells" since they would "not be yelling much longer."

Sukarno's effort to reorganize the Supreme Operations Command (KOTI), which the army briefly tried to build into a "supercabinet" last fall, apparently has drawn army resistance. Both army and cabinet spokesmen alluded on 9 February to impending changes in KOTI. On 12 February, however, army chief General Suharto announced that the KOTI matter would be "reviewed in

greater depth" and that in the meantime the present organization would continue to function. Although it seems likely that the army leaders will still make concessions, they apparently are stalling in the hope of getting some quid pro quo from Sukarno.

The trials of principals in the coup attempt began on 14 February. So far two PKI politburo members are mounting a strong offensive in their defensive testimony and are trying to put the onus on the army for having formed a coup-minded "council of generals" which the defendants claim precipitated PKI action. One of the defendants has denied the confession he made several months ago to an army interrogating team in which he admitted that the PKI had masterminded the 1 October affair.

The army had planned the trials as a climax to its program to discredit and suppress the PKI. Although some convictions are probable, the trials do not now seem likely to have the impact the army had envisioned. Moreover, it is not unlikely that Sukarno will interfere personally in the procedure if he considers it advantageous to do so.

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SINGAPORE-MALAYSIA FRICTIONS CONTINUE

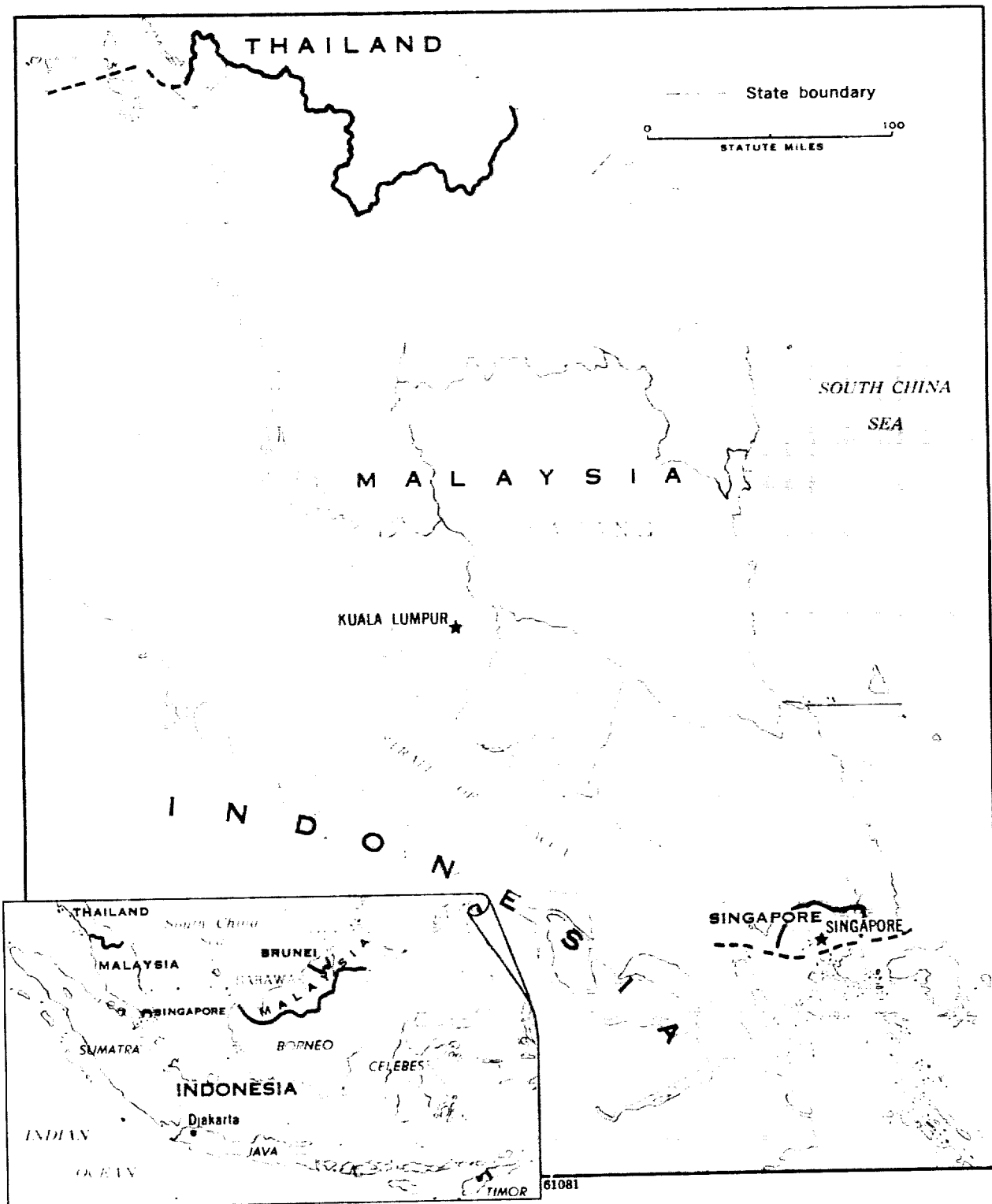
Since its separation from Malaysia last August, Singapore's attempts to initiate independent foreign and defense policies have been frustrated by the Malaysian

Government. Singapore's freedom of maneuver is limited by its economic dependence on the Malaysian mainland.

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MALAYSIA - SINGAPORE



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Malaysia's ability to exercise this veto was proved last December when Singapore was forced to abandon its plan to resume its once lucrative barter trade with Indonesia. Kuala Lumpur threatened to deny Singapore access to Malaysian raw products and Malaysian markets, which would have wrecked Singapore's vulnerable economy.

The latest indication of Malaysia's unwillingness to allow Singapore full autonomy is Kuala Lumpur's recent decision to retain one of its infantry battalions in Singapore indefinitely. Although under last August's separation agreement Malaysia has the right to maintain this unit there, both Singapore and British officials

had understood that it would be removed when a Singapore infantry battalion, currently ending a tour of duty in Malaysian Borneo, returned home. Malaysia now wishes the Singapore unit to remain in Malaysian territory. By keeping its battalion in Singapore and one of Singapore's two battalions out, Kuala Lumpur plans to prevent Singapore from assuming control of its own defense.

This problem is likely to end in a compromise solution, but similar conflicts will inevitably arise. Almost continuous friction between Singapore and Kuala Lumpur can be expected in the foreseeable future, with little progress made toward much-needed cooperation in economic and defense policy.

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INDIAN GOVERNMENT'S FOOD POLICIES UNDER FIRE

Dissidents within India's ruling Congress Party vociferously criticized the government's food policies last week. Delegates at the party's annual meeting on 11 February shouted their opposition to the "discriminatory" food measures and created a major uproar that Prime Minister Gandhi appeared unable to quell. She turned the meeting over to party president Kamaraj, who quieted the delegates.

Mrs. Gandhi's action suggests that she intends to leave party matters to Kamaraj, devoting her own attention primarily to government affairs. Kamaraj may have his hands full during the lean summer months, when party

members from food-deficit states will feel compelled to advance their states' interests forcefully.

The government ran into similar criticism from opposition party members at the 15 February parliamentary session. A censure motion was defeated, but only after a noisy four-hour debate led by Communists from rice-short Kerala State.

Another source of discomfort for the government was a concurrent demonstration outside the Parliament, in which about 4,000 right-wingers protested the Indo-Pakistani Tashkent accord, also scheduled for parliamentary debate soon.

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POLITICAL STRESSES MOUNTING IN TURKEY

The political atmosphere in Ankara is becoming increasingly bitter as the Justice Party (JP) government headed by Prime Minister Demirel presses forward two highly controversial bills and seeks legislative approval of its annual budget. The situation is complicated by uncertainties surrounding the illness of President Gursel and the probable necessity of naming a successor in the near future. The situation also raises anew the possibility of military intervention in government.

The Demirel government, with its substantial majority in the National Assembly, has laid itself open to attack by giving first priority to politically loaded amnesty and electoral bills instead of economic and social legislation. The amnesty bill would pardon all political prisoners from the 1960 revolutionary period, but would still forbid them to run for public office. The proposed electoral law would, in effect, nullify all those changes in election procedures since 1961 which favored the opposition Republican Peoples Party (RPP) and the smaller parties.

Spokesmen for the RPP, trying to provoke the military against the

government and create a crisis atmosphere, have charged that what the government really wants is to return to the bad old days before 1960. The RPP warns the JP that its leaders are "dragging it to catastrophe." The RPP has also charged Demirel with religious reactionism. In rebuttal, Demirel has accused the RPP of attempting to gain through "threats, accusations, and allegations what it could not win by elections." Generally, however, Demirel has accepted opposition criticism with restraint and shown no inclination to resort to the repression which provoked the overthrow of the old Menderes regime.

Passage of the amnesty bill in its present form could change the military attitude of watchful acquiescence to active opposition. The JP is the acknowledged successor to the Democratic Party which was overthrown by the military in 1960.

The crisis atmosphere of 1960 is lacking, but there is growing concern that an intense political

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conflict has developed so soon after national elections which were supposed to clear the air. Some observers see the acrimonious debate as the reflection of a widening gap between the urban intellectual elite, represented

by the RPP, and the bulk of the population, represented by the JP. Some of this minority elite apparently question whether democracy is really suitable for Turkey.

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RESUMPTION OF YEMEN PEACE CONFERENCE IN DOUBT

The Harad peace conference, which recessed in late December, is scheduled to reconvene on 19 February. Whether it will in fact be able to resume business depends in large part upon the success of last-minute efforts by Egypt's President Nasir to heal the growing breach between himself and King Faysal of Saudi Arabia.

The problem forcing the two sides apart is the interpretation of Article Six of the Jidda Agreement made by the two leaders last August. The article states that "the UAR shall withdraw all its military forces from Yemen in ten months, as of November 1965." Faysal now claims that Nasir, far from withdrawing troops, is actually building up his military strength in Yemen.

The Egyptians claim that Article Six cannot be separated from Article Three, which stated that an interim all-Yemen conference should meet on 23 November 1965 to decide on the method of provisional government and to form a provisional cabinet. So far the Harad conference has been unable to agree on even the name of the caretaker government. Egypt says it will not begin with-

drawal until the caretaker government is established, although it still intends to complete the move before the September 1966 deadline.

Saudi Arabia argues that the agreement is divided into several parts, some parts devolving upon Egypt, some upon Saudi Arabia, and some upon the Yemenis. The parts are not interdependent. The Saudis state that they fulfilled their obligation in Article Five to "immediately suspend all military assistance operations" to the Yemeni royalists. They assert that, from 23 November, the Egyptians were obligated to begin withdrawal under Article Six. What the Yemenis do in the meanwhile about forming a provisional government is an unrelated problem, the Saudis say.

Nasir is apparently genuinely afraid to abandon Yemen without even a caretaker government, but his hesitation has aroused Faysal's suspicion that he will not leave at all. Unless the present Egyptian - Saudi Arabian discussions find a solution to the present deadlock, the Harad conference will probably fail and the confrontation of Egypt and Saudi Arabia in Yemen will continue.

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RACIAL SITUATION IN MAURITANIA REMAINS TENSE

Firm government action has restored order after last week's race riots in the Mauritanian capital, Nouakchott, but the situation remains tense.

Long-standing ill feeling between Mauritania's two ethnic groups, the Negroes and the Moors, broke into violence on 8 February when aggressive young Moorish extremists began attacking Negro students in the Nouakchott high schools. The following day, pitched battles with clubs occurred when roving bands of Moors invaded Negro residential areas. Troops were moved into Nouakchott in force on the night of 9 February, but sporadic incidents continued the following day. A curfew and other emergency measures, such as school closings, remain in force.

Although no full census has ever been taken, there has been unofficial agreement that the Negro minority constitutes 20-25 percent of the population, with Moors making up the remainder. Up to now, a proportional balance has been maintained in the cabinet and the top echelons of the ruling party. The Moors, however, traditionally look down on the Negroes, although the latter are better educated and hold most of the jobs in the civil service.

The present tension appears closely related to a Moorish push to extend the use of their Arabic language, which the French-speaking Negroes view as a threat to

their status. Negro agitation on the language issue nearly provoked a crisis last month.

President Moktar Ould Dadah, who is a Moor, has handled the situation with apparent impartiality. Although firm information on events outside the capital is lacking, the government's emergency measures appear to have kept the disorders from spreading. Arrests have been made on both sides and charges have been put forward attempting to blame the Egyptian and US embassies for inciting the Moors and Negroes, respectively. Moktar's regime does not appear to be in imminent danger from the riots, but continuing racial antagonism could jeopardize the country's political balance.

Led by Mohamed Ould Cheikh, minister of defense and foreign affairs, extremists among the Moors have been markedly expanding their influence for a year and a half. Their emergence has produced a Mauritanian alignment with radical African states and the establishment of diplomatic relations with a number of Communist countries. It has also shifted the emphasis in domestic affairs away from conservative, tribal-oriented interests to the present militant assertion of Moorish supremacy. Moorish extremists may have launched last week's attacks on the Negroes as part of an effort to generate support for a bid for power at the upcoming congress of the ruling People's Party.

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NIGERIAN REGIME SHOWING LITTLE POSITIVE DIRECTION

General Ironsi's military regime in Nigeria has moved to neutralize the restive younger officers who played active roles in the 15 January coup and is continuing to dismantle the old regional power structures. However, a basic leadership vacuum is being created by the removal from the government of virtually all experienced civilian political elements.

Among the several officers recently placed under "protective custody" were the alleged killer of former federal prime minister Balewa and an officer said to have been the "right hand man" of Major Nzeogwu, the coup leader in the North. Nzeogwu and a number of other coup activists were evidently detained earlier. Two air force officers have been included in the roundup so far, and Ironsi is being urged to remove some 50 additional air force personnel described by West German advisers as "postcoup troublemakers."

The move against these younger officers was probably intended to forestall possible further initiatives on their part and to strengthen discipline in the military. Ironsi's action risks a reaction from army elements which reportedly regard the im-

prisoned officers as revolutionary heroes--a view shared by much of the general public. There has already been some open pressure for Nzeogwu's reinstatement.

The depoliticization of the country has continued in all regions, with special emphasis on the management of public corporations through which the deposed politicians enlarged personal and party fortunes. In Western Nigeria the process has extended to direct punitive action against 12 key figures of the former ruling party. Some of these arrested politicians reportedly were implicated in attempts to stir up dissension in the army since the coup.

Ironsi's appointment on 13 February of a top civil servant to study and report on "administrative machinery for a united Nigeria" marked the new regime's first real step toward giving the country new permanent institutions. Constructive forward movement in this direction will probably continue to be slow, however, since neither the military nor the civilian elements now in charge seem capable of exercising effective leadership.

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UGANDA COUP SCARE SUBSIDES

The threat of internal military conflict has subsided in Uganda, but Prime Minister Obote's political opponents are becoming increasingly aggressive and are forcing him to adopt more moderate policies.

Last week's coup scare in Kampala, the rumor-prone capital, followed a near-unanimous vote in parliament on 4 February demanding the suspension of army chief of staff Colonel Amin, one of Obote's inner circle of radical northerners. The outraged Amin, in an effort to discredit his bitter rival, army commander Brigadier Opoloto, spread reports that Opoloto and his southern political allies intended to seize control of the government. Amin failed to attract any support but tension spiraled as each military leader took defensive precautions, fearing an attack by the other.

The factional strife within the army never became a challenge to the government, but the rumors were sufficiently credible to send most ministers and even the inspector general of police out of town or into hiding. The ensuing chaos and the discrediting of Amin may dispel the fears of conservative southerners that the army--with its preponderance

of northern officers--was becoming a reliable political instrument for Obote.

The Amin debate in parliament was a severe setback for Obote. For nearly a year he had stalled off any investigation of Amin's role in receiving payments in gold from the Congolese rebels in return for Ugandan Army support. The vehemence with which Obote's own party members supported the opposition motion dramatized the split within the governing party, and for the first time it was publicly charged that Obote and two northern ministers had shared some \$300,000 with Amin.

Obote avoided participating personally in the debate and apparently intends to let Amin be the scapegoat. The prime minister's subsequent denials of the allegations made against him have met with considerable skepticism. His opponents are determined to press for a full disclosure of the Congo affair in order to discredit Obote's radical cohorts and to put his regime back on the course of responsible government. The Ugandan police on 8 February captured Congolese rebel leader, General Olenga, Amin's partner in the affair, which may be propitious for the conservatives. 25X1

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STATUS OF ECONOMIC SANCTIONS AGAINST RHODESIA

Zambia's 15 February target date for a total boycott of Rhodesian goods and services was quietly ignored. Both Zambia and the UK now seem to recognize that such a confrontation with Salisbury will not produce the hoped for "quick kill," and that further measures against the Smith regime must be approached with caution because of Zambia's economic dependence on Rhodesia.

British and Zambian planners apparently agree that the problems of maintaining Zambia's economy after a break with Rhodesia are greater than they had thought. Until alternate sources of supply--particularly of coal--can be developed, British officials are suggesting a gradual extension of Zambian sanctions which will stave off militant African pressure but not provoke Rhodesian retaliation. The UK is even considering suggesting to President Kaunda that Zambia never make a complete economic break.

Meanwhile, Rhodesia shows no signs of knuckling under to British economic pressure. White Rhodesian support for Prime Minister Smith remains high and the latest UK estimate of the Rhodesian economy shows a rate of activity only five percent lower than last year. Furthermore, efforts to circumvent the oil em-

bargo, the most effective sanction imposed thus far, have recently resulted in increased deliveries of petroleum from private South African sources. Deliveries are still far short of consumption, even under the current rationing, but they will postpone the date when petroleum stocks will be exhausted, currently estimated at about the end of April.

Britain is considering how it can persuade the South African Government to clamp down on the private firms. Foreign Office officials seem to favor threatening South Africa with UN action under the Charter provision that the UN may impose mandatory economic sanctions. The British ambassador to Pretoria, however, believes this might drive South Africa to pull out of the UN and give full support to Rhodesia. Another line being considered is a direct approach to the oil companies.

Thoughts of turning to military force against Rhodesia have been dampened by the report of a recent British military mission that from a logistics standpoint it would be impossible to support more than a single battalion of British troops in Zambia.

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LONG GOVERNMENT CRISIS IN PROSPECT FOR BELGIUM

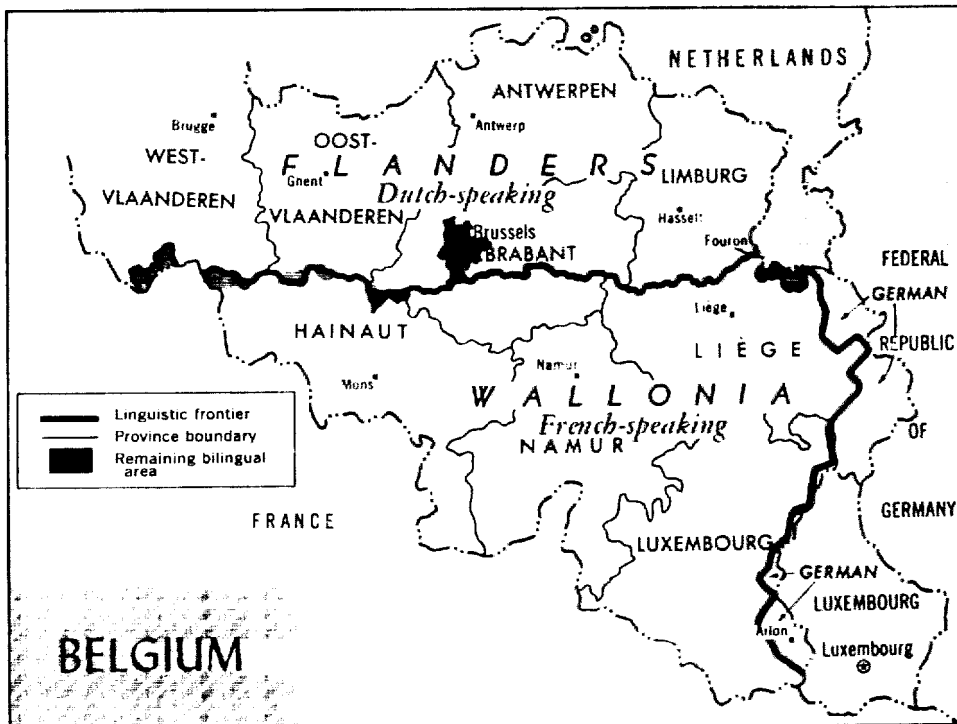
King Baudouin's choice of Socialist leader Achille van Acker to advise on formation of a new cabinet is a first step toward resolution of what is likely to be a pro-

longed government crisis in Belgium.

Van Acker has been mentioned as a possible new prime minister.

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the French-speaking minority's insistence on constitutional guarantees that it will not be submerged.

The Liberal Party, however, has refused to help solve the current crisis, and may be holding out for new elections. As members of the opposition, the Liberals increased their representation from 20 to 48 in elections last May at the expense of the two government parties. The Catholics dropped

He is considered one of the nations's most astute politicians and possesses an enormous talent for compromise as shown by his success in keeping a coalition between the Socialists and the business-oriented Liberals intact in a cabinet he headed from 1954 to 1958. Van Acker might be considered to lead another Socialist-Liberal government or, possibly, a government of national unity which would include the Catholic party as well.

A three-party coalition would have a major advantage at this point because only a government of that scope would have the two-thirds majority required for constitutional reform. Long overdue changes in parliamentary representation to reflect the rising proportion of Flemings in the population have been blocked by

from 96 to 77 in the 212-seat parliament and the Socialists from 84 to 64. The Liberals undoubtedly believe that as an opposition party they would gain further strength if new elections were held now.

The new government, whatever its composition, will still face pressing problems. The health insurance issue, with the Catholic-backed doctors opposing the Socialists and organized labor, is still unsettled. There have been unusual difficulties this year in balancing the budget, and the rate of economic growth in recent years has been slower in Belgium--and particularly in the politically restless area of Wallonia--than in other EEC countries. Antagonisms between Walloons and Flemings are reflected in increasingly frequent outbreaks of violence.

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Western Hemisphere

DOMINICAN CRISIS UNRESOLVED

Dominican President Garcia Godoy announced on 16 February that he intends to issue orders implementing his 6 January decree with respect to the replacement of air force chief De los Santos and army chief Martinez. The President's speech obviously violated his reluctantly made written commitment of 11 February that he would not take action against the two as long as they "remained obedient and politically impartial." Garcia Godoy alleges that "different circumstances now prevail" than when he made his pledge.

The President's action came after a week of chaos produced by a paralyzing leftist general strike called to force the ouster of the two military leaders. Garcia Godoy clearly agreed with the strike's principal objective and avoided opposing it, feeling that the crisis it produced would enable him to demand the removal of the two military chiefs. Indeed, there is evidence that some government officials were actively involved in spreading the strike.

On 16 February, after stating his intent with regard to the military, the President ordered striking government workers

to return to their jobs or face 25X1 dismissal and said he would use public forces to ensure essential services.

labor officials allied with Juan Bosch called off the strike being conducted by their organizations. Other radical and Communist-led unions appear intent on carrying on the walkout until the chiefs are actually removed and other demands met, but without Bosch's support the strike will sag considerably.

Both Martinez and De los Santos seemed firm on 16 February that they had no intention of leaving. Force or pressure by the Inter-American Peace Force (IAPF) may be the only way to get them out. The armed services have ordered a general alert to strengthen their defensive positions, but no move against the President appears to be in the cards at this time.

Garcia Godoy has not made clear how he intends to implement orders ousting the two military leaders, and in fact has indicated it may take an indefinite time to put his decrees into effect. Nevertheless, by his speech he has taken the onus

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for the bloody disasters away from the leftist strikers and put it on the military leaders. The President has been highly reluctant to call on the OAS to enforce his will against the military. Since the OAS committee has endorsed the presidential guarantees to the chiefs, any request for backing by Garcia Godoy would put it into an extremely difficult spot.

Thus, there appears to be little chance of immediately resolving the conflict and a prolonged civil-military confrontation may still be at hand. Such a development could endanger the holding of elections on 1 June. Even if they were conducted, the results might be questioned if Bosch goes ahead with threats to boycott the race if the military is not under control of the government.

In his 16 February speech Garcia Godoy eased fears that he will resign by expressing an intention to remain in office until his term expires on 30 June. Even so, however, it remains to be seen if he would stick it out if faced by continuing military defiance.

Radical and Communist elements seem ready to continue terror and violence as long as the present impasse continues. During the past week members of the pro-Castro 14th of June Group and the Peking-oriented Dominican Popular Movement have been engaged in a small-scale "urban guerrilla war" against officers of the National Police and members of the IAPF. These groups appear to have been joined by the increasingly extremist Revolutionary Social Christian Party whose leader, Caonabo Javier, has been taking a highly militant line and appears ready to cooperate with the Communists in a campaign of violence.

The continuation of the impasse will increase the possibility of countermoves from conservative civilian groups, possibly in alliance with military elements. Confronted with violence from both the left and right, the hard-pressed National Police will probably continue to need the aid of the IAPF to restore order in Santo Domingo.

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BRAZIL ISSUES "THIRD INSTITUTIONAL ACT"

The Brazilian Government on 5 February issued its "Third Institutional Act," which establishes regulations that favor progovernment candidates in this year's national and state elections. By setting the date for congressional elections on 15 November, six weeks after the president is chosen on 3 October, the act ensures that President Castello Branco's successor will be elected by the present congress. This improves the prospects for whoever becomes the regime's candidate, since the progovernment National Renewal Alliance now holds a majority of seats in the Chamber of Deputies.

The act provides that public officials now in office who wish to run in the fall elections need not resign until three months before election day. This change from the former six-month requirement allows War Minister Costa e Silva, a strong presidential contender, to remain in the cabinet until early July.

The decree sets 3 September as the date for gubernatorial elections in 11 of the 22 states, with the voting to be by the state legislatures rather than by popular vote. This change is probably intended to prevent a recurrence of an unsettled political period such as developed following the election of governors for the other 11 last fall. At that time, hard-

line military officers reacted strongly to the victories of several opposition-supported gubernatorial candidates.

A provision reducing the domicile requirement for state office from four to two years increases the likelihood that a number of military commanders will become gubernatorial candidates. General Alves Bastos, for example, now qualifies to run for governor of politically important Rio Grande do Sul State, something he has shown obvious interest in doing.

The Institutional Act has provided the administration's critics with some sensitive issues. Congressional leaders of the Brazilian Democratic Movement (MDB), the major opposition group, have reacted with a manifesto condemning indirect elections. The document--the MDB's first formal statement of opposition--accuses the regime of seeking to perpetuate itself in power by arbitrary means and reneging on its pledge to restore fully representative government. The coming months are likely to see increasing exploitation of these issues, by both left and right, but Castello Branco apparently is willing to risk this in order to assure continuity of his present policies with a minimum of serious political conflict.

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GUATEMALAN ELECTION DATE APPROACHES

There is a growing expectation in Guatemala that if presidential elections are held on 6 March as scheduled, none of the three candidates will win an absolute majority and the choice will fall to congress. However, deepening bitterness between the political parties and a renewal of Communist terrorism this week point to an increase in instability and violence which might lead to cancellation of the elections.

The Revolutionary Party (PR) candidate, Julio Cesar Mendez, enjoys a double advantage in being the only popular nominee and in running against two conservatives who will split the rightist vote. Yet, there is a general belief--especially within the PR--that Mendez will not be allowed to win. Conservatives, a minority, but the most powerful group in the country, are highly receptive to the "soft on Communism" label put on the PR by its opposition. The PR, in turn, more and more is stressing the theme that its defeat would be proof of fraud and could justify postelection "reaction."

So far, nothing has come of several attempts to merge the conservative, government-sponsored Democratic Institutional Party (PID) and the right-wing National Liberation Movement (MLN). The MLN refuses to accept PID's unpopular candidate, Juan de Dios Aguilar, and is con-

fident that it does not need to make great concessions. Aguilar recently told US Embassy personnel that a PID victory was certain because the party enjoys the full support and resources of the regime, PID's "program" is in fact the government's five-year national development plan.

Mendez has accused the PID of plotting against his life and of destroying several light aircraft used for PR propaganda distribution--an act of arson for which Communist guerrillas later claimed credit.

The recent nationalization of private business firms and the use of the army to operate medical facilities during a doctors' strike attest to the regime's willingness to use a heavy hand to achieve its aims. The favored status of the PID thus has generated the threat of an "imposed" election as a key issue in the campaign.

In the meantime, chief of government Peralta, who has ruled since his military coup three years ago, has been asked to remain in office for a four-year term by a bloc of Constituent Assembly deputies who favor cancellation of the elections.

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TENSIONS EASE AFTER CLOSE ELECTION IN COSTA RICA

The uneasiness caused by the close national elections on 6 February in Costa Rica appears to have subsided. A report by three OAS observers has, in general, praised the electoral process as "truly democratic," and the country's Supreme Electoral Tribunal has not yet turned up evidence of widespread irregularities in the presidential balloting. It expects to complete its recount by 19 February, and will then begin examining votes cast for legislative deputies and municipal offices.

Early last week the court plans to take up a formal request by the incumbent National Liberation Party (PLN) that results be nullified at precincts where the PLN has charged irregularities. This could affect up to 60,000 votes.

The latest official count shows Jose Joaquin Trejos, presidential candidate of the opposition coalition National Unification Party, still leading by one percent out of about 440,000 votes. To quiet PLN fears that Republican Party leader Rafael Calderon Guardia would gain control of the Civil Guard, the country's main security force, Trejos last week hastily named his son Diego acting minister of security and minister of the presidency.

Assuming no significant irregularities are uncovered and PLN fears can be kept in check, the situation is expected to stabilize and democratic processes to continue.

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NEW SOVIET SUPPORT FOR THE CUBAN ECONOMY

The USSR and Cuba on 11 February concluded a 1966 trade pact calling for more than a 20-percent increase in trade to some \$900 million. The USSR again agreed to provide a credit--\$91 million, 45-percent less than last year--to meet Cuba's prospective trade deficit. This year's reduced credit suggests that Cuba plans to meet its full commitment of three million tons of sugar to the USSR this year, about half its expected crop.

The USSR now accounts for about 50 percent of Cuba's foreign trade and is committed to accept increasing amounts of its sugar at a set

price of six cents a pound through 1970. This year the USSR will continue to supply critical consumer goods as well as fuels and industrial equipment and raw materials. It probably will also send about 700,000 tons of grain, including 35 million dollars' worth of Canadian wheat bought with scarce Soviet hard-currency reserves. In addition, Moscow may ship rice to make up the 115,000-ton deficit resulting from China's reduction of deliveries in 1966.

Cuba's cumulative debt for Soviet trade credits now is \$850 million. The USSR also has supplied

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\$400 million in economic development credits and several hundred million dollars' worth of military equipment on credit.

Emphasis under the development program shifted in 1965 to improvement of agriculture, specifically the sugar industry. At least a fourth of the 2,000-3,000 Soviet economic technicians in Cuba are

engaged in agricultural projects--including the operation of specially designed Soviet machinery for sugar harvesting. The USSR continues to work on industrial projects already begun, however. A technical aid agreement signed last month covered expansion of geologic surveys to include a search for offshore oil.

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